

STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC UTILITY CONTROL

DOCKET NO. 98-06-16

DPUC PROMULGATION OF REGULATIONS FOR A STANDARD BILLING  
FORMAT FOR ELECTRIC COMPANIES AND ELECTRIC DISTRIBUTION  
COMPANIES

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TESTIMONY OF  
GARY A. LONG  
ON BEHALF OF CL&P

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JULY 29, 1998

## INTRODUCTION

1 I.

2 Q. Please state your name, position, and business address.

3 A. My name is Gary A. Long. My position is Vice President - Customer Service and  
4 Economic Development for Public Service Company of New Hampshire (PSNH),  
5 one of the utility operating companies of Northeast Utilities (NU). My primary  
6 business address is 1000 Elm Street, Manchester, New Hampshire.

7

8 Q. In addition to your position as a Vice President for PSNH, do you have other  
9 responsibilities within NU?

10 A. Yes. The retail operations of PSNH, of which I am a part, are organized within  
11 the Retail Business Group (RBG) of NU. I am on assignment to serve as the  
12 RBG officer in charge of overseeing the implementation of retail customer choice  
13 of generation services within RBG in each of the three States served by the NU's  
14 utility operating companies; namely, New Hampshire, Massachusetts, and  
15 Connecticut.

16

17 Q. Please summarize your education and professional experience.

18 A. I received a Bachelor of Science degree in Electrical Engineering from New  
19 Mexico State University in 1973 and a Master of Science Degree in Electrical  
20 Engineering from Northeastern University in 1981. Prior to joining PSNH, I  
21 served as an officer in the United States Air Force.

22 While employed at PSNH and NU, I have acquired extensive experience in the  
23 area of cost studies, rates, tariffs, load research, power contracts, marketing, and  
24 customer service. In the early 1980's, I directed the development of several  
25 PSNH computer systems, including a large power billing system, a load research

1 system, an interval load data management system, and a revenue reporting  
2 system.

3 More recently, at PSNH, I directed the negotiation, development and  
4 implementation of the Retail Electric Competition Pilot Program for PSNH. This  
5 pilot program was the first of its kind when it began in 1996. I have also  
6 provided guidance to Western Massachusetts Electric Company in its  
7 implementation of retail customer choice in Massachusetts this year.

8

9 Q. Have you testified previously before the Department of Public Utility Control?

10 A. I have submitted written testimony in Docket no. 98-06-17 and will be submitting  
11 testimony in Docket no. 98-06-13. I have also testified on numerous occasions  
12 before the New Hampshire Public Utilities Commission, and have submitted  
13 written testimony on several occasions before the Federal Energy Regulatory  
14 Commission.

15

16 Q. What is the purpose of your testimony?

17 A. I am providing this testimony on behalf of the Connecticut Light and Power  
18 Company ("CL&P" or the "Company") in response to the Department of Public  
19 Utility Control's ("DPUC" or the "Department") July 10, 1998 Notice of Request  
20 for Comments and Pre-Filed Testimony in this Docket. I will comment on  
21 several issues as requested by the Department as follows:

- 22 1. A standard billing format that would allow customers to compare pricing  
23 policies and charges among electric suppliers;
- 24 2. Guidelines for determining the billing relationship between the electric  
25 distribution company and the electric supplier;

- 1           3. Adopting the Massachusetts protocol with respect to partial and late  
2           payments; and  
3           4. Transaction costs for billing services and the method for assigning such costs.

4

5   **II. STANDARD BILLING FORMAT**

6   Q.       What is the Company's position concerning a standard billing format?

7   A.       The Company would like to take this opportunity to make a distinction between  
8           billing format and billing layout. The Company views billing format as the  
9           individual items that make up the composition of a bill such as those listed in  
10          Section 21 of Public Act 98-28 (the "Act"). These items are informational in  
11          nature and provide the customer with details about consumption, billing  
12          calculations, and consumer rights. The Company views billing layout as the  
13          positioning, type font and color of these above referenced items on the bill itself.

14         The Company believes this docket should focus on the billing format issues only.  
15         Billing layout is best addressed by the distribution companies based upon  
16         operational considerations, billing system capability, current customer  
17         preferences and customer comfort level.

18         The Company will continue to include the current bill format items and will  
19         modify the existing systems to include the additional items proposed by the  
20         Department.

21

22   Q.       Are there any items you believe need to be clarified?

23   A.       Yes, section 21(a)(B) (concerning bill format) of the Act states "the electric  
24           transmission and distribution charge, including all applicable taxes and the  
25           systems benefits charge, as provided in section 18 of this Act", must be shown on

1 the customer's bill. In the Notice for Comment, the Department references this  
2 item as "The electric transmission and distribution charge, which shall include all  
3 applicable taxes and systems benefit charge, shown separately, with the total  
4 transmission and distribution bill amount in bold print". The Company interprets  
5 the Act's wording to mean a transmission and distribution charge bundled with  
6 the other referenced charges, to be shown as one line item on the bill. The  
7 Company interprets the Notice's wording to mean the transmission and  
8 distribution charge as one line item, applicable taxes and the systems benefit  
9 charge as separate line items, and a subtotal of the three, as a third line item. The  
10 Company requests clarification of this issue.

11

12 Q. Are there any additional format items that should be included on the bill?

13 A. Yes, the Company proposes one additional item to the bill format. Upon  
14 successful enrollment with a new electric supplier, the Company feels that a  
15 message line, informing the customer of the change, should be added to the bill.  
16 The customer would be informed of the identity of the new supplier prior to their  
17 first bill indicating the new supplier charges. This message would function as a  
18 form of consumer protection against potential "slamming" and has been  
19 implemented in other jurisdictions.

20

### 21 **III. GUIDELINES DETERMINING THE BILLING RELATIONSHIP**

22 Q. What does the Company suggest in reference to the billing relationship between  
23 Electric Suppliers and Distribution companies?

24 A. The Company suggests the Department develop or encourage the development of a  
25 common set of Terms and Conditions that would govern the relationship between  
26 suppliers, distribution companies and customers similar to the Terms and Conditions  
27 that are included as part of the Company tariffs. Proposed drafts of these Terms and

1 Conditions are included as Attachments A (Terms and Conditions for Distribution  
2 Service) and B (Terms and Conditions for Electric Suppliers) to this testimony.

3 The Company also suggests the Department adopt applicable aspects of the Electronic  
4 Business Transaction (EBT) report that was developed to facilitate retail choice in  
5 Massachusetts. This report and philosophy were developed through the joint efforts  
6 of distribution companies, suppliers and the Massachusetts Department of  
7 Telecommunications and Energy. The report outlines a standard set of transactions  
8 and principals that are applicable regardless of location. Similar standards are  
9 currently being adopted in New Hampshire, Pennsylvania and Rhode Island. These  
10 standards work in conjunction with the attached Terms and Conditions for  
11 Distribution Companies and Electric Suppliers. The EBT report is included as  
12 Attachment C and contains the supporting detail of the business rules and transactions.  
13 The Company believes that capitalizing on the solutions developed by suppliers,  
14 distribution companies and regulators in other states can only increase the success of  
15 customer choice in Connecticut.

16  
17 Q. Please provide a more detailed explanation of the Terms and Conditions for Electric  
18 Suppliers.

19 A. The following is a further explanation of pertinent sections.

20 a) Section 2 - Definition of Electric Supplier

21 For the purposes of load allocation and settlement, the electric supplier is the party  
22 that sells the electricity to the customer. The seller must either take responsibility  
23 for meeting the customer's load directly through the ISO or contract with an  
24 alternative electric supplier to meet this responsibility.

25 b) Section 3A(2) - Obligations of Parties - Customer

26 A customer's account may be associated with one supplier only. This approach is  
27 necessary to facilitate the ISO settlement process by assuring that all data coming

1 from a single meter is reported to the ISO. This does not prevent customers and  
2 electric suppliers from making separate contracts for partial loads and obligations  
3 based on their own allocations; it simply requires the parties to identify a single  
4 entity responsible to the distribution company for settlement with the ISO.

5 c) Section 3B(6) - Obligations of Parties - Distribution Company

6 This section specifies that only the distribution company perform physical meter  
7 activity. The Company believes that it is important to include this requirement due  
8 to safety concerns and union issues, as well as the fact that metering equipment is  
9 owned by the distribution company.

10 d) Section 3C(1) - Obligation of Parties - Electric Supplier

11 An electric supplier is not required to take title to generation service; however, in  
12 order for the Company to properly report their loads to the ISO, the supplier must  
13 be a NEPOOL member or have an agreement with a NEPOOL member for that  
14 member to take responsibility for the load served by the electric supplier. The  
15 identity of both the electric supplier and its NEPOOL participant representative (if  
16 different) must be known to the distribution company for the distribution  
17 company to meet its responsibilities. The distribution company is responsible for  
18 retail billing or may be responsible for customer service for the electric supplier,  
19 and thus, must know the identity of the electric supplier who actually sells at  
20 retail. The distribution company is also responsible for reporting loads to the ISO  
21 for the electric supplier or its NEPOOL participant representative (if different)  
22 and thus must know the NEPOOL participant for load-allocation and ISO-  
23 settlement purposes.

24 Section 3C(3) - The electric supplier is responsible for meeting NEPOOL or ISO  
25 requirements for energy, capacity, and other services, and the distribution  
26 company is responsible for allocating the loads of customers among electric  
27 suppliers for each hour; reporting these loads to the ISO; and providing  
28 transmission service.

1 This new relationship between the ISO, electric supplier, and distribution  
2 company presents several issues.

3 1) Transmission Service. Transmission service is normally provided by the local  
4 electric delivery company (e.g. CL&P), but in some cases customers have the  
5 option to arrange transmission service directly under the transmission tariffs  
6 filed with FERC. This option is also consistent with FERC's approach to open  
7 access transmission tariffs subject to its jurisdiction (New England Power  
8 Pool, 79 FERC ¶ 61,374 (1997); Order 888-A, 62 Fed. Reg. 12297-98 (Mar.  
9 14, 1997)).

10 2) Electric System Losses. Electric system losses, which includes Pool  
11 Transmission Facility (PTF) losses as well as distribution losses to the  
12 customer's meter, should be the responsibility of electric suppliers. This  
13 approach keeps distribution companies out of the power supply business,  
14 simplifies the settlement process for allocating loads among electric suppliers,  
15 and is consistent with FERC's requirements for open access tariffs.

16 Section 3C(6) and (7) - The Company recommends that electric suppliers alone  
17 be required to obtain the proper authorization from the customer for competitive  
18 generation service enrollment and release of other marketing data (historical  
19 usage). The Company believes that it is not appropriate to take on the burden of  
20 "policing" the competitive marketplace. With the proper consumer protections,  
21 sanctions and penalties in place, the responsibility of conducting business in an  
22 ethical manner should lie with the electric supplier.

23 e) Section 4A - Initiation of Generation Service

24 The Company recommends that suppliers alone should be the party to initiate  
25 competitive generation service on behalf of their customers with the distribution  
26 company. Suppliers will be developing relationships with their customers and  
27 have to be prepared to procure load to service that customer. The customer should  
28 be in contact with the supplier to discuss price and other considerations of



1 generation service. If a customer was allowed to sign up for generation service;  
2 other than Standard Offer or Default service, through the distribution company,  
3 the relationship between the supplier and customer is compromised. Under  
4 normal circumstances the distribution company will have no knowledge that the  
5 customer is receiving the proper service from the supplier unless the supplier  
6 sends in the enrollment. The Company should not be expected to be required to  
7 educate the customer on various supplier offerings or compare rates between  
8 suppliers at the customer's request. A customer may, however, contact the  
9 distribution company directly to switch from an electric supplier to Standard  
10 Offer/Default service.

11 f) Section 4B - Termination of Generation Service

12 The Company would like to take this opportunity to clarify the definition of  
13 "termination" as it applies to the relationship between the customer and electric  
14 supplier. In the case of a distribution company, termination of service to a  
15 customer refers to the physical disconnection of the meter. In contrast,  
16 termination of service with respect to a electric supplier refers to the termination  
17 of the contract between the supplier and the customer. It would be inconsistent  
18 with provisions of the Act if the relationship between the customer and supplier  
19 were to include the threat of meter disconnection. When the supplier-customer  
20 relationship is terminated, the customer has the option under the Act of taking  
21 Standard Offer or Default service, or contracting with another electric supplier.

22 g) Section 4E - Fees

23 The Company believes that electric suppliers should be responsible for the  
24 payment of all fees incurred as a result of electronic communication between the  
25 Company and electric supplier. Electronic Data Interchange (EDI), the method of  
26 communicating the EBT transactions, incurs Value Added Network (VAN) fees  
27 through the transmission process. As these fees are the direct result of transactions  
28 with individual electric suppliers, the Company recommends that the payment  
29 responsibility lie with those that are benefiting from their use. The customers of

1 the distribution company should not be required to subsidize electric supplier  
2 activity.

3

4 Q. How does the information contained in the EBT report relate to the Terms and  
5 Conditions?

6 A. Throughout the proposed Terms and Conditions for Distribution Companies and  
7 Electric Suppliers there are references to electronic transactions. These transactions  
8 are discussed in detail in the attached EBT Report.

9

10 Q. What are the benefits of adopting the EBT standards?

11 A. The EBT standards were developed based on the following principals:

- 12 • Minimize the number of transactions;
- 13 • Reduce confusion for the customer;
- 14 • Protect the Customer's right to choose a new Supplier;
- 15 • Use electronic solutions rather than paper based ones;
- 16 • Minimize error and manual processing; and
- 17 • Control costs, increase efficiency, speed and accuracy.

18 The Company feels that the EBT standards provide a smooth transition to a new  
19 competitive marketplace. They also allow electric suppliers the ability to transact  
20 business with the distribution companies on a regional level in a similar manner.

### 21 **III. PARTIAL PAYMENTS**

22 Q. What does the Company propose with respect to the allocation of partial payments?

23 A. Payment applied first to the distribution company in the event of partial payment by a  
24 customer is the approach instituted under the retail access structure adopted in New

1 Hampshire, Rhode Island and Massachusetts. The attorneys general and consumer  
2 advocates of these states advocated for this result in the interest of consumers to  
3 prevent termination of services. Further, priority payment to the distribution company  
4 is essential for maintaining the financial security of recovery of the mandated state  
5 charges on the distribution company portion of the bill. The Company strongly  
6 agrees with this position. The resolution of this issue has an impact on the amount of  
7 modifications needed to billing and collection systems with respect to payment  
8 arrangements, termination requirements, customer notifications and internal  
9 accounting processes.

10

#### **TRANSACTION COSTS FOR BILLING SERVICES**

11 IV.

How does CL&P propose charges be allocated and assessed for billing services?

12 Q.

As stated above, the Company has proposed in section III (g) of this testimony that

13 A.

14 electric suppliers be responsible for all VAN costs associated with the exchange of the  
15 EBT transactions.

16 Distribution companies will incur added costs for certain new activities, both  
17 mandatory and optional, associated with retail access. The Company proposes that  
18 fees for mandatory services should be designed to recover the fully allocated cost of  
19 the service as well as allow a fair rate of return. However, the Company proposes that  
20 fees for services provided at the option of the buyer should be market based.  
21 Differences in factors such as labor rates and the capabilities of information systems  
22 prohibit standard fees for some services across distribution companies.

23 The Company believes customers/suppliers who benefit from new services provided  
24 by the Company should bear the entire cost of those activities in addition to an  
25 approved rate of return as stated in the law.

26

#### **CONCLUSION**

27 V.

1 Q. Do you have any additional comments?

2 A. Yes. The Company encourages the Department to establish working groups,  
3 technical sessions or other venues which would allow interested parties to collaborate  
4 on flexible solutions to the complex issues associated with moving to customer choice  
5 and a competitive generation market. This approach has been successful in other  
6 jurisdictions and has proven invaluable in terms of knowledge and understanding  
7 gained from and by all participants.

8 The Company thanks the Department for this opportunity to comment and looks  
9 forward to working with the Department and other parties in implementing changes  
10 needed for a smooth and effective transition to customer choice.

11 Q. Does this conclude your testimony?

12 A. ~~Yes, it does.~~

13 A. Yes, it does.

14

**THE CONNECTICUT LIGHT AND POWER COMPANY  
PROPOSED TERMS AND CONDITIONS FOR DELIVERY SERVICE**

1. General

1A. The following Terms and Conditions shall be a part of each Rate Schedule of The Connecticut Light and Power Company now or hereafter in effect except as they may be expressly modified by contract or a particular Rate Schedule, or superseded by order or regulations of the Public Utilities Control Authority of the State of Connecticut (the "Authority").

1B. If there is a conflict between the orders or regulations of the Authority and these Terms and Conditions, the orders or regulations of the Authority shall govern. The headings used in these Terms and Conditions are for convenience only and shall not be construed to be part of, or otherwise to affect, these Terms and Conditions.

1C. If for any reason a Customer not receiving Standard Offer Service does not have a registered Electric Supplier, the Company will provide Default Service to the Customer.

2. Definitions

"Authority" shall mean the Connecticut Public Utilities Control Authority.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Delivery Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from an Electric Supplier or Standard Offer Service, in accordance with the provisions set forth in the Company's Default Service tariff, on file with the DPUC.

"Delivery Service" shall mean the delivery of electricity to Customers by the Distribution Company.

"Department" shall mean the Department of Public Utility Control.

1 "Distribution Company" or "Company" shall mean The Connecticut Light and  
2 Power Company.

3  
4 "Electric Supplier" shall mean any entity licensed by the Department to sell  
5 electricity to retail Customers in Connecticut, with the following exceptions: (1) a  
6 Distribution Company providing Standard Offer Service and Default Service to its  
7 distribution Customers, and (2) a municipal light department that is acting as a Distribution  
8 Company.

9  
10 "Generation Service" shall mean the sale of electricity, including ancillary services  
11 such as the provision of reserves, to a Customer by an Electric Supplier.

12  
13 "Terms and Conditions" shall mean these Terms and Conditions for Delivery Service.

14  
15 "Standard Offer Service" shall mean the service provided by the Distribution  
16 Company for a term of four years after the Retail Access Date, unless otherwise  
17 determined by the DPUC. Availability for this service shall be in accordance with the  
18 provisions set forth in the Company's Standard Offer Service tariff, on file with the  
19 DPUC.

20  
21  
22 3. Schedule of Rates

23  
24 3A. Filing

25 The Company furnishes its various services in accordance with the applicable  
26 Terms and Conditions of the Authority. The Company's Schedule of Rates, which  
27 includes these Terms and Conditions, is on file with the Authority and is also open  
28 to inspection at the offices of the Company.

29  
30 3B. Revision

31 The Schedule of Rates may be revised, amended, supplemented and otherwise  
32 changed from time to time, and such changes when effective will supersede the  
33 present Schedule of Rates.

34  
35 3C. Application

36 The provisions of these Terms and Conditions and of the Schedule of Rates apply  
37 to everyone receiving service from the Company without regard to whether a  
38 service application has been made by the customer or accepted by the Company  
39 under Section 5 hereof. Receipt of service shall constitute the receiver a customer  
40 of the Company as the term is used in the Schedule of Rates and in these Terms  
41 and Conditions.

42  
43 3D. Terms and Conditions

44 These Terms and Conditions shall be deemed to be a part of every contract for  
45 service entered into by the Company, and shall govern all classes of service where

1 applicable, unless specifically modified by a provision or provisions contained in a  
2 particular rate or special written contract with a customer.  
3

4 3E. Statements by Agents

5 No representative of the Company has authority to modify any rule, provision, or  
6 rate contained in the Schedule of Rates, or to bind the Company for any promise or  
7 representation contrary thereto. Any modification to the Schedule of Rates or any  
8 promise contrary thereto must be in writing, duly executed by an authorized officer  
9 of the Company, subject in all cases to applicable statutes and to the orders and  
10 regulations of the Authority.  
11

12 3F. Choice of Rate

13 Every customer is entitled to request service under the lowest rate applicable to the  
14 service supplied during each calendar year. The Company will provide its  
15 customers with information upon request to aid such customers in selecting the  
16 most advantageous rate available. Unless specifically stated to the contrary, all  
17 rates are based on the supply of service to the Customer throughout the twelve  
18 months of the year, and changes from one rate to another will not be made for  
19 periods of less than twelve months. The Company will not be liable for any claim  
20 that service provided to any customer might have been less expensive or more  
21 advantageous to such customer if supplied under a different rate. A change in rate  
22 that is requested by the customer will not necessarily produce a retroactive billing  
23 adjustment.  
24

25  
26 4. Service Limitations  
27

28 4A. Character of Service

29 The character of service which the Company will supply will be that available in  
30 the locality in which the service is to be furnished. Except as may be especially  
31 provided in a particular rate, the Company does not offer to supply service of non-  
32 standard characteristics.  
33

1                   4B.     Delivery Point and Metering Installation

2                   The Company shall furnish and install, at locations it designates, one or  
3 more meters for the purpose of measuring the electricity delivered. The Company  
4 may at any time change any meter that has been installed. Except as specifically  
5 provided by a given rate, all rates in the Schedule of Rates are predicated on  
6 service to a Customer at a single delivery point and metering installation. Where  
7 service is supplied to an account at more than one delivery point or metering  
8 installation, each single point of delivery or metering installation shall be  
9 considered to be a separate account for purposes of applying the Schedule of Rates,  
10 except (1) if a Customer is served through multiple delivery points or metering  
11 installations for the Company's own convenience, or (2) if otherwise approved by  
12 the Authority, or (3) if the Customer applies to the Company and the use is found  
13 to comply with the availability clauses in the Schedule of Rates.

14  
15                  Should a Customer or Electric Supplier request a new meter or request that a  
16 communication device be attached to the existing meter, the Company shall  
17 provide, install, test, and maintain the meter or communication device. The  
18 requested meter or communication device must meet the Company's requirements.  
19 The Customer or Electric Supplier shall bear the cost of providing and installing  
20 the meter or communication device. Upon installation, the meter or  
21 communication device shall become the property of the Company and will be  
22 maintained by the Company. The Company shall complete installation of the  
23 meter or communication device within thirty (30) days of receiving a written  
24 request from the Customer or Electric Supplier. The Company shall bill the  
25 Customer or Competitive Supplier upon installation.

26  
27                  4C.     Compliance with Availability

28                  The use of the Company's service shall not be for purposes other than those  
29 covered by the Availability provision of the particular rate under which service is  
30 supplied.

31  
32                  4D.     Residential Service

33                  Separate dwelling units whether within the same building or in separate buildings  
34 on the same premises shall be considered as separate customers and metered  
35 individually wherever practicable. If a residence is converted to more than a single  
36 dwelling unit, or if for some other reason it is impractical in the judgment of the  
37 Company to separately meter individual dwelling units, service may be supplied  
38 through one meter under the applicable residential or general service rate.

39  
40                  In all multi-family dwellings connected after December 28, 1978, provisions shall  
41 be made to permit separate metering and billing of the electric energy consumed in  
42 each dwelling unit.

43  
44                  Notwithstanding the foregoing, master metering and billing of multi-family  
45 dwelling units shall be permitted when the units are publicly financed or  
46 subsidized, the occupants are exclusively senior citizens, electricity is not used as



the primary energy source for space heating, steps are taken by the owner or manager of the units to prevent waste of electricity and to ensure that occupants are aware of their levels of consumption of electricity, records of electricity use and billings are open for public inspection and are subject to review by public authorities, and there is no rebilling of Company charges.

4E. Refusals to Serve

The Company reserves the right to refuse to supply service to new customers or to supply additional load to any existing customer if it is unable to do so under a standard rate or if it is unable to obtain the necessary equipment and facilities or capital required for the purpose of furnishing such service. The Company may refuse to supply service to loads of unusual characteristics which might affect the cost or quality of service supplied to other customers of the Company. The company may require a customer having such unusual loads to install special regulating and protective equipment in accordance with the company's specifications as a condition of service.

4F. Unmetered Service

When, in the judgment of the Company, supply of electric service on an unmetered basis is justified, billing will be rendered for estimated use in accordance with the terms of the rate applicable to the service supplied and the regulations of the Authority. Unauthorized acceptance of unmetered service by a customer or service supplied through a meter which has been tampered with or rendered inaccurate by a customer or by any other person or entity, shall be considered unauthorized use and shall subject such customer to liability for such service on an estimated basis, in addition to any other applicable regulatory, civil, and criminal liabilities which might be imposed upon such customer.

5. Service Applications

5A. Service Applications

Application for Distribution, Default, Standard Offer, or any other service offered by the Company will be received through a duly authorized agent or any representative of the Company.

5B. Method of Application

The Company may accept oral application by a prospective Customer for service, except as noted in Section 5C, below. All applicants must be of legal age or an emancipated minor to contract for service with the Company. The Company reserves the right to verify the identity of the Customer and the accuracy of the information provided.

5C. Written Application

The Company may require a written application as a precedent of service from any applicant who is not currently a Customer of record, for any location where service is scheduled to be disconnected for non-payment or is currently disconnected for

1 non-payment. The Company reserves the right to refuse service, at any location, to  
2 an applicant who is indebted to the Company for any service previously furnished  
3 to such applicant.  
4

5 Applications for non-residential service may, at the Company's option, be in  
6 writing on forms provided by the Company and payment of a deposit shall be made  
7 if applicable and in accordance with Section 16-3-200 of the Regulations of  
8 Connecticut State Agencies. When a written application for non-residential service  
9 is required, such service shall not commence until the Company has received  
10 written application, except that service may temporarily be provided for an interim  
11 period not to exceed 15 working days pending the receipt of a duly executed  
12 written application for service.  
13

14 No agent or employee of the Company is authorized to modify orally any  
15 provisions of such written application or to bind the Company to any promise or  
16 representation contrary thereto except in writing by a duly authorized Company  
17 representative.  
18

19 **5D. Service Information from Company**

20 Upon receipt of an application from a prospective customer setting forth the  
21 location of the premises to be served, the extent of service to be required, and other  
22 pertinent information, the Company will advise the customer of the type and  
23 character of the service it will furnish, the point at which service will be delivered  
24 and the location to be provided for the Company's metering equipment.  
25

26 **5E. Acceptance of Application or Contract**

27 If an application for service is accepted by the Company's duly authorized agent, or  
28 if service is supplied according to the provisions of such application or pursuant to  
29 contract either without modification or with supplemental agreement, it shall  
30 constitute an agreement between the customer and the Company for the supply of  
31 service.  
32

33 **5F. Special Contracts**

34 In the event that the service desired by a customer is not available under any  
35 standard rate of the Company, such service (including auxiliary or parallel  
36 operation service, service for abnormally large or fluctuating loads, and other types  
37 of service under unusual circumstances) may be obtained, in the sole discretion of  
38 the Company, through special contract with the Company to the extent permitted  
39 under applicable Terms and Conditions and provided that no discrimination against  
40 other customers would result thereby. All such special contracts are subject to  
41 review and approval of the Authority.  
42

43 **5G. Unauthorized Use**

44 The use of service without notice to the Company to enable it to read its meter on  
45 the user's premises will render the user liable for any amount due for service  
46 supplied to the premises since the last reading of the meter, whether or not such

1 reading may precede the said user's occupancy, as shown on the Company's books.  
2 Whenever any service has been obtained at any premises on an unmetered basis or  
3 any unauthorized service has been obtained at any such premises or for any other  
4 reason service has been provided to such premises to persons unknown or for  
5 which payment has not been made due to a question of customer identity, the  
6 owner of record of such premises shall be liable therefore to the Company.  
7  
8

9 6. Billing

10  
11 6A. Billing Period

12 The basis of all charges is the billing period, defined as the time period between  
13 two consecutive regular monthly meter readings or estimates of such monthly  
14 meter readings. The standard billing period is thirty (30) days. In the event that a  
15 period between bills is less than twenty-five (25) days or more than thirty-eight  
16 (38) days, billing will be prorated by the Company to reflect a thirty (30)-day  
17 billing period.  
18

19 6B. Payment for Service

20 All bills for electric service, repairs to customer appliances, and other services or  
21 facilities furnished by the Company to the customer shall be due and payable upon  
22 the mailing date. Payment may be made at any authorized collector or agent or  
23 mailed to the Company at the address specified on the bill. Payments shall be  
24 applied first to balances for repairs and other services or facilities furnished by the  
25 Company and then to balances for electric service. Within those categories,  
26 payments shall be applied first to unpaid balances, including late payment charges,  
27 and then to current charges.  
28

29 6C. Returned Check Fee

30 The Company may assess a returned check fee pursuant to Section 14, below, to  
31 any Customer whose check made payable to the Company is dishonored by any  
32 bank when presented for payment by the Company. Receipt of a check or payment  
33 instrument that is subsequently dishonored shall not be considered valid payment.  
34

35 6D. Final Bill

36 Each Customer shall be liable for service taken until such time as the Customer  
37 requests termination of Delivery Service and a final meter reading is recorded by  
38 the Company. The bill rendered by the Company based on such final meter  
39 reading shall be payable upon receipt. In the event that the Customer of Record  
40 hinders the Company's access to the meter or fails to give notice of termination of  
41 Delivery Service to the Company, the Customer of record shall continue to be  
42 liable for service provided until the Company either disconnects the meter or a new  
43 party becomes a Customer of the Company at such service location. The Customer  
44 shall be liable for all costs incurred by the Company when the Customer prevents  
45 access to the Company's equipment.  
46

1           6E.     Reconnection Charge  
2           The company may assess a reconnection charge pursuant to Section 14 below, to  
3           customers normally taking service under an all-year-round rate if the meter is  
4           disconnected and reconnected within twelve months  
5  
6           6F.     Security Deposits  
7           The Company may require a Commercial/Industrial customer to remit a security  
8           deposit in accordance with Regulations of Connecticut State Agencies 16-3-200.  
9           Residential customers will not be assessed a security deposit.  
10  
11          6G.     Increase or Decrease in Rate  
12          In the case of any increase or decrease in the applicable rate to any customer  
13          authorized by the Authority, the effective date of said increase or decrease shall be  
14          reflected in bills on a prorated basis to the effective date using meter readings made  
15          after said effective date.  
16  
17          6H.     Late Payment Charge  
18          For accounts of the State of any political subdivision thereof, the balance of each  
19          monthly bill that has been unpaid for 60 days shall be subject to a late payment  
20          charge of 1.0 percent of such unpaid balance, including prior late payment charges.  
21  
22          For all other accounts, any balance that appeared on a bill having a Statement Date  
23          at least 28 days earlier than the current Statement Date shall be subject to a late  
24          payment charge. The late payment charge shall be 1.0 percent of the unpaid  
25          balance, including prior late payment charges. No late payment charge shall be  
26          applied if full payment is received by the Company or one of its payment agencies  
27          at least three working days before the next scheduled Statement Date for the  
28          account. No late payment charge shall be applied to balances of residential  
29          customers who are hardship cases, or to so much of any balance as is disputed by a  
30          customer, or to a balance that is subject to an active amortization agreement,  
31          pursuant to the provisions of Section 16-3-100 of the Regulations of Connecticut  
32          State Agencies. If the DPUC determines, or the customer agrees, that a disputed  
33          balance is owed, that balance shall be due and payable, without a late payment  
34          charge, upon mailing of the next regularly scheduled bill. Thereafter, the foregoing  
35          provisions shall apply to that balance unless an amortization agreement, pursuant to  
36          Section 16-3-100 of the Regulations of Connecticut State Agencies, has been  
37          reached on the formerly disputed balance.  
38  
39          6I.     Collection of Taxes  
40          The Company shall collect all sales, excise, or other taxes imposed by  
41          governmental authorities with respect to the delivery of electricity or sale of  
42          electricity under Default or Standard Offer Service. The Customer shall be  
43          responsible for identifying and requesting any exemption from the collection of the  
44          tax by filing appropriate documentation with the Company.  
45  
46

1 7. Metering

3 7A. Actual Meter Readings; Estimates

4 The Company shall attempt to make an actual meter reading every billing  
5 period. If the Company is unable to read the meter when scheduled or if the meter  
6 for any reason fails to register the correct amount of electricity supplied or the  
7 correct demand of any Customer for a period of time, the Company shall make a  
8 reasonable estimate of the consumption of electricity during those months when the  
9 meter is not read, based on available data, and such estimated bills shall be payable  
10 as rendered.

12 7B. Optional Customer Meter Readings

13 Any Customer who would otherwise receive an estimated bill pursuant to  
14 Section 7A above, may elect to receive a bill based on a Customer meter reading  
15 by reading his/her meter on the date prescribed by the Company and calling the  
16 appropriate telephone number provided by the Company to report the reading.  
17 However, only Company readings are considered actual readings.

20 7C. Access to Meters

21 A properly identified and authorized representative of the Company shall  
22 have the right to gain access at all reasonable times and intervals for the purpose of  
23 reading, installing, examining, testing, repairing, replacing, or removing the  
24 Company's meters, meter reading devices, wires, or other electrical equipment and  
25 appliances, or of discontinuing service, in accordance with the applicable General  
26 Laws, Authority regulations, and Company policy in effect from time to time, and  
27 the Customer shall not prevent or hinder the Company's access.

29 7D. Diversion and Meter Tampering

30 If a Customer receives unmetered service as the result of any tampering  
31 with the meter or other Company equipment, the Company shall take appropriate  
32 corrective action including, but not limited to, making changes in the meter or  
33 other equipment and rebilling the Customer. The Customer may be held  
34 responsible to the Company for any use of electricity that occurs beyond the point  
35 of the meter installation.

38 8. Termination of Service

39

1                   8A.    Grounds for Termination

2                   The Company may discontinue Delivery Service and/or remove its  
3 equipment from any Customer's premises if the Customer has provided the  
4 Company with materially incorrect information or fails to comply with the  
5 provisions of the Schedule of Rates or any supplementary or other agreement  
6 entered into with the Company, subject to any applicable billing and termination  
7 procedures of the Authority or as otherwise permitted by applicable rules and  
8 regulations. The Company may also discontinue Delivery Service and remove its  
9 equipment from the Customer's premises in case of violation of any applicable  
10 statutes, local ordinances or bylaws, or government regulations. The Company  
11 may assess an Account Restoration Charge pursuant to Section 14 below, upon  
12 such discontinuance of service. Payment of any Account Restoration Charge may  
13 be required as a precondition to restoration of service.  
14

15                   8B.    Termination for Unsafe Installation

16                   The Company reserves the right to disconnect its Delivery Service at any  
17 time without notice, or to refuse to connect its service, if to its knowledge or in its  
18 judgment the Customer's installation is unsafe or defective or will become unsafe  
19 imminently. Delivery Service may not be resumed until the local wiring inspector  
20 approves the installation. The Company shall make a reasonable effort to notify  
21 each Customer prior to such discontinuance of Delivery Service, and in any event  
22 shall provide written notice to the Customer of the reason for discontinuance of  
23 service and the actions required for resumption of service.  
24

25  
26 9.       Supply and Use of Service

27  
28                   9A.    Quality of Service

29                   The Company endeavors to furnish adequate and reliable service, but does not  
30 guarantee continuous service, and it shall not be liable for direct or consequential  
31 damages of any kind resulting from any stoppage, interruption, variation or  
32 diminution of service caused by the customer's or supplier's acts or omissions, acts  
33 of the public enemy, a state of war, requirements of Federal, State or Municipal  
34 authorities, strikes, acts of God or the elements, accidents, operating conditions or  
35 contingencies or other causes.  
36

37                   When a part or parts of the interconnected generation-transmission or distribution  
38 systems may be threatened by a condition which may affect the integrity of the  
39 supply of electric service, or when a condition of actual or threatened shortage of  
40 available energy supplies and resources shall exist, the Company may, in its sole  
41 judgment, curtail, allocate, or interrupt such service to any customer, customers or  
42 electric supplier. Such curtailment, allocation or interruption shall, where possible  
43 or practicable, be in accordance with the terms and conditions of any applicable  
44 energy emergency or load curtailment plan which shall be on file with the  
45 Authority or other appropriate state agency from time to time or adopted by energy  
46 dispatching and control centers in which the Company is a participant.

1 The Company does not undertake to regulate the voltage or frequency of its service  
2 more closely than is standard commercial practice. If the customer requires  
3 regulation of voltage or frequency that is more refined, he shall furnish, install,  
4 maintain and operate the necessary apparatus at his own expense.

5  
6 The Company cannot be and is not responsible for any loss or damage (direct,  
7 indirect, or consequential) to any persons or property resulting in any way from any  
8 interruption of service or any change in characteristics of service, regardless of the  
9 cause of such interruption or change.

10  
11 9B. Temporary Service.

12 Temporary service is available to any customer who can be served from the  
13 Company's existing lines or facilities. For such temporary service the customer  
14 shall pay the total cost of connecting and disconnecting the service, including the  
15 cost of installation and removal of any poles, wires, transformers, meter equipment  
16 or other facilities that may be necessary. Service will be billed under any regular  
17 rate applicable to the type of service supplied. The Company may require an  
18 advance payment covering the estimated cost of installation and disconnection or  
19 the use of service or both.

20  
21 9C. Suspension of Service for Repairs

22 The Company reserves the right to curtail or temporarily interrupt from time to  
23 time the customer's service in order that repairs, replacements or changes may be  
24 made in the Company's facilities either on or off the customer's premises. The  
25 customer will normally be notified in advance to the extent practicable except in  
26 cases of emergency. Nothing in this Section shall be deemed to require the  
27 Company to make such repairs, replacements or changes at times other than the  
28 Company's normal business hours.

29  
30 9D. Resale of Service

31 Any service rendered is furnished by the Company to the customer for the purpose  
32 and class of service specified, and such service shall not be resold to others or used  
33 for other purposes. This rule does not apply to duly authorized public utility  
34 companies which purchase service from the Company at wholesale.

35  
36 9E. Resupply of Service

37 When service is resupplied to others by a retail customer of the Company, each  
38 building or premises will be considered as a separate customer, and the service will  
39 be furnished to the tenants as an incident to tenancy with the cost included as part  
40 of the rent. The same rule shall apply to the greatest extents possible in the case of  
41 service supplied to any condominiums or homeowner's association, where the cost  
42 of such service shall be incidental to the association's fee to its members. Resupply  
43 of service will require prior written consent of the Company.

44  
45 10. Customer's Installation  
46

1           10A.   Suitability of Apparatus  
2           All of the customer's apparatus shall be suitable for compatible operation with the  
3           service supplied by the Company, and the customer shall not use the service  
4           supplied for any purpose or with any apparatus which would cause a disturbance on  
5           the lines, drains or system of the Company sufficient to impair or render unsafe the  
6           service supplied by the Company to its other customers. The customer shall be  
7           liable for any damage resulting to the Company's apparatus or facilities or to other  
8           customers caused by failure to comply with any provision of this Section.  
9  
10          Where the customer has apparatus for the generation of electric energy, his wiring  
11          must be so arranged as to make it impossible, by the closing of switches or  
12          otherwise, to connect such apparatus with the Company's service unless such  
13          wiring arrangements have been approved in writing by the Company.  
14  
15          10B.   Compliance with Ordinances  
16          Before the Company will furnish service, the customer shall comply with all  
17          applicable ordinances, codes and requirements of Federal, State, or Municipal  
18          bodies and may be required to furnish to the Company satisfactory evidence of  
19          such compliance.  
20  
21          10C.   Statement of Installer  
22          Where the Municipal authorities issue no inspection certificate, the Company may  
23          require a written statement from the installer of the wiring or piping or other  
24          similar facilities that the same are suitable and proper for the safe and satisfactory  
25          reception and use of the service to be furnished and are in accordance with  
26          applicable building and safety codes.  
27  
28          10D.   Responsibility of Customer  
29          In all cases the customer is responsible for maintaining facilities, wiring and  
30          appliances that are suitable and proper for the safe and satisfactory reception and  
31          use of the service provided and shall indemnify the Company and hold it harmless  
32          from damage, losses and expenses including reasonable attorney's fees. Any effort  
33          of the Company to promote this condition is merely assistance rendered to the  
34          customer and shall not be deemed an assumption of liability on the part of the  
35          Company.  
36  
37          All apparatus or facilities provided by the Company to supply service shall remain  
38          its sole property whether or not affixed to the customer's property, and shall be  
39          returned by the customer in the condition received, ordinary wear and tear  
40          excepted. Any damages caused by the customer to the Company's property  
41          (including damage occurring as a result of the customer's failure to take reasonable  
42          precautions to protect such property from damage) shall be paid by the customer.  
43  
44  
45  
46          10E.   Changes in Customer's Conditions or Installation



1           The customer shall give advance notice to the Company of any proposed  
2 change in the customer's load or other conditions of use or of any change of  
3 purpose or location of his installation. Such change in the customer's service  
4 conditions or installation shall not be made until such notice has been given and  
5 permission has been received from the Company. Failure to give notice of such  
6 changes shall render the customer liable for any damages or losses suffered by the  
7 Company as a result thereof caused by the Customer's dereliction of this  
8 responsibility.  
9

10           10F. Delivery Service from Outside Service Territory.

11           A Customer may not receive Delivery Service from an entity other than the  
12 Company with the exclusive obligation to serve within the Customer's service  
13 territory without, in each case, obtaining the prior written consent of the Company,  
14 and complying with all applicable safety and siting requirements.  
15

16 11. Company's Service Installation

17  
18           11A. Rights of Way

19           The Company shall not be required to extend its facilities for the purpose of  
20 rendering service until it has satisfactory rights of way or easements to permit the  
21 installation, operation and maintenance of its facilities. The customer, without  
22 expense to the Company, shall grant or secure for the Company such rights of way  
23 or easements whether across property controlled by the customer or by others.  
24

25           11B. Rights of Customer's Premises

26           In accepting service the customer shall thereby agree to furnish the Company,  
27 without charge, a suitable location for all of the property and equipment of the  
28 Company necessary in furnishing such service.  
29

30           11C. Interference with Company Property

31           All meters, services, and other electric equipment owned by the Company,  
32 regardless of location, shall be and will remain the property of the Company; and  
33 no one other than an employee or authorized agent of the Company shall be  
34 permitted to remove, operate, or maintain such property. The Customer shall not  
35 interfere with or alter the meter, seals or other property used in connection with the  
36 rendering of service or permit the same to be done by any person other than the  
37 authorized agents or employees of the Company. The Customer shall be  
38 responsible for all damage to or loss of such property unless occasioned by  
39 circumstances beyond the Customer's control. Such property shall be installed at  
40 points most convenient for the Company's access and service and in conformance  
41 with public regulations in force from time to time. The costs of relocating such  
42 property shall be borne by the Customer when done at the Customer's request, for  
43 the Customer's convenience, or if necessary to remedy any violation of law or  
44 regulation caused by the Customer.  
45  
46

1                   11D. Protection of Company's Equipment

2                   The Customer shall furnish and maintain, at no cost to the Company, the  
3 necessary space, housing, fencing, barriers, and foundations for the protection of  
4 the equipment to be installed upon the Customer's premises, whether such  
5 equipment is furnished by the Customer or the Company. If the Customer refuses,  
6 the Company may at its option charge the Customer for furnishing and maintaining  
7 the necessary protection of the equipment. Such space, housing, fencing, barriers  
8 and foundations shall be in conformity with applicable laws and regulations and  
9 subject to the Company's specifications and approval.

10

11                   11E. Changes in Location

12                   If the Company places its overhead wires underground or changes the location of  
13 any of its service facilities, it may require that such changes as may be necessary in  
14 the customer's portion of the service connection or which may directly or indirectly  
15 benefit the customer be made at the expense of the customer.

16

17 12. Co-Generation And Small Power Production Facilities; Additional Terms and  
18 Conditions

19

20                   12A. Determination of Qualifying Status

21                   The Company will determine if a proposed customer is a qualifying facility based  
22 on the standards established in 18 CFR Part 292, Subpart B. An order of the  
23 Federal Energy Regulatory Commission granting an application for certification of  
24 a facility as a qualifying facility will be accepted by the Company in lieu of its own  
25 determination.

26

27                   12B. Parallel Operation

28                   In order to qualify for the Company's power purchase rates, the customer must  
29 operate in parallel with the Company and comply with the Company's  
30 specifications for parallel operation. The customer is responsible for all costs  
31 associated with the installation of the generating equipment and connection to the  
32 Company's lines. The customer must provide automatic protective equipment,  
33 approved by the Company, such as, but not limited to, overcurrent protection, over-  
34 and under-voltage protection, over- and under-frequency protection, power factor  
35 correction equipment, and automatic synchronization. Complete, detailed  
36 engineering drawings of the connection of the generating equipment to the  
37 Company's facilities must be submitted to the Company. Parallel operation will not  
38 be allowed until written approval is given by the Company to the customer. The  
39 Company may, at its option, periodically inspect, test and recertify in writing the  
40 customer's compliance with the Company's specifications for parallel operation. A  
41 customer's failure to maintain certification will cause immediate termination of  
42 parallel operation until such time as new certification is granted.

43

44                   12C. Cost of Interconnection with the Company's System

45                   When the sole purpose of a customer's interconnection with the Company's system  
46 is to sell energy to the Company or when the Company must incur exceptional

costs to interconnect a customer, the Company may require payment of the cost of interconnection or so much thereof as is exceptional, as the case may be, subject to approval by the Department of Public Utility Control (DPUC), before making the interconnection. However, if the DPUC does not approve or otherwise rule on the appropriate charge within 90 days of the customer's application for interconnection, the interconnection shall be made upon payment by the customer of the interconnection charge required by the Company, which shall be subject to refund with interest at the rate of return on rate base last allowed the Company by the DPUC, in the event a lower charge is ordered by the DPUC or agreed to by the Company.

12D. Special Power Purchase Contracts

If the customer or the Company shall be of the opinion that, with respect to a particular qualifying facility, having a capacity greater than 1000 kW, the applicable Power Purchase Rate does not reasonably reflect the costs which will be avoided by the Company, either may apply to the Division of Public Utility Control for approval of a special contract applicable to the qualifying facility having terms which differ from or are in addition to those of the otherwise applicable Power Purchase Rate.

13. Liability of the Company

Service is delivered to the customer at the point where the service connection maintained by the Company terminates. The Company shall not be liable for direct, indirect or consequential damages of any kind, whether resulting from injuries to persons or property or otherwise, arising out of or that may be traceable to trouble or defects in the apparatus, wiring, facilities or equipment or to any other cause occurring beyond the point where the service connection of the Company terminates. Liability, if any, for such damages shall be that of the customer.

14. Schedule of Charges

The Company reserves the right to impose reasonable fees and charges pursuant to the various provisions of these Terms and Conditions. Electric supplier fees and charges shall be negotiated between the parties. Customer charges shall be set forth in Appendix A to these Terms and Conditions, as on file with the Authority.

Supersedes Terms and Conditions  
Effective July 1, 1993

Effective Jan 1, 2000

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To be determined

APPENDIX A  
CUSTOMER CHARGES

**CONNECTICUT LIGHT AND POWER COMPANY  
PROPOSED TERMS AND CONDITIONS FOR ELECTRIC SUPPLIERS**

1. Applicability

1A. The following Terms and Conditions shall apply to every registered Electric Supplier authorized to do business within Connecticut and utilizing the Company's facilities.

1B. The Terms and Conditions for Delivery Service of the Connecticut Light and Power Company, on file with the DPUC, and as may be amended from time to time shall also apply to the service rendered hereunder and such Terms and Conditions are incorporated by reference herein.

1C. These Terms and Conditions may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in DPUC regulations and Connecticut law. In case of conflict between these Terms and Conditions and any orders or regulations of the DPUC, said orders or regulations shall govern.

1D. No agent or employee of the Company is authorized to modify any provision contained in these Terms and Conditions or to bind the Company to perform in any manner contrary thereto. Any such modification to these Terms and Conditions or any promise to a customer or electric supplier shall be in writing, duly executed by an authorized officer of the Company, and subject in all cases to applicable statutes and to the orders and regulations of the DPUC, and available for public inspection during normal business hours at the business offices of the Company and at the offices of the DPUC.

2. Definitions

"Act" shall mean Public Act 98-28 - An Act Concerning Electric Restructuring.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Delivery Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Electric Supplier or Standard Offer Service, in accordance with the provisions set forth in the Company's Default Service tariff, on file with the DPUC.

1  
2 "Distribution Company" or "Company" shall mean the Connecticut Light and  
3 Power Company.

4  
5 "Delivery Service" shall mean the delivery of electricity to Customers by the  
6 Distribution Company.

7  
8 "DPUC" shall mean the Connecticut Department of Public Utility Control.  
9

10 "Electric Supplier" shall mean any entity licensed by the DPUC to provide electric  
11 generation services to retail Customers in Connecticut, with the following exceptions: (1)  
12 a Distribution Company providing Standard Offer Service and Default Service to its  
13 distribution Customers, and (2) a municipal light department that is acting as a Distribution  
14 Company.

15  
16 "Enrollment period" shall mean, for a particular Customer, the period of time  
17 during which an Electric Supplier may submit an enrollment transaction to a Distribution  
18 Company for initiation of Generation Service concurrent with the start of the Customer's  
19 next billing cycle. The enrollment period commences two business days prior to the  
20 Customer's scheduled cycle meter-read date and ends two business days prior to the  
21 Customer's next scheduled cycle meter-read date.

22  
23 "Generation Service" shall mean the sale of electricity, including ancillary services  
24 such as the provision of reserves, to a Customer by a Electric Supplier.

25  
26 "ISO-NE" shall mean the Independent System Operator of the New England bulk  
27 power system and its successors.

28  
29 "NEPOOL" shall mean the New England Power Pool and its successors.  
30

31 "NEPOOL PTF" shall mean pool transmission facilities included in the NEPOOL  
32 Open Access Transmission Tariff on file with the Federal Energy Regulatory Commission.  
33

34 "Own-Load Calculation" shall mean the settlement method utilized by NEPOOL  
35 for its members, as set forth in the NEPOOL Agreement, as amended from time to time,  
36 on file as a tariff with the Federal Energy Regulatory Commission.

37  
38 "Standard Offer Service" shall mean the service provided by the Distribution  
39 Company for a term of four years after the Retail Access Date, unless otherwise  
40 determined by the DPUC. Availability for this service shall be in accordance with the  
41 provisions set forth in the Company's Standard Offer Service tariff, on file with the DPUC.  
42

43 "Terms and Conditions" shall mean these Terms and Conditions for Electric  
44 Suppliers.  
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3. Obligations of Parties

3A. Customer

The Customer shall:

- (1) Provide notification to the Distribution Company requesting protection from unwanted solicitation from Electric Suppliers, if so desired;
- (2) Select one Electric Supplier for each account at any given time, or authorize an agent to make the selection for the Customer, for the purposes of the Distribution Company (1) reporting the Customer's hourly electric consumption to ISO-NE, and (2) providing billing services. The Customer must provide the selected Electric Supplier with the information necessary to allow the Electric Supplier to initiate Generation Service, in accordance with Section 4A, below. A Customer may choose only an Electric Supplier that is licensed by the DPUC;
- (3) Nothing in these Terms and Conditions shall prohibit a Customer from entering into arrangements with multiple suppliers, provided that a single Electric Supplier is designated for the purposes described above.

3B. Distribution Company

The Company shall:

- (1) Arrange for or provide (i) regional network transmission service over NEPOOL PTF and (ii) local network transmission service from NEPOOL PTF to the Company's Distribution System for each Customer, unless the Customer or its Electric Supplier otherwise arranges for such service;
- (2) Deliver power over distribution facilities to each Customer Delivery Point;
- (3) Release customer information (name, address, rate class and if available, telephone number) to Electric Suppliers unless the customer has requested protection from unwanted solicitation;
- (4) Provide customer service and support for Delivery Service and, if contracted by the Electric Supplier, for Generation Service in accordance with Section 7A.2 below;
- (5) Respond to service interruptions or power quality problems;
- (6) Handle service connection and service termination; i.e. physically connect or disconnect the meter;

- 1  
2 (7) Read meters;  
3  
4 (8) Submit bills to Customers reflecting unbundled charges;  
5  
6 (9) Address billing inquiries for Delivery Service and, if contracted by the  
7 Electric Supplier, for Generation Service in accordance with Section 7A.2  
8 below;  
9  
10 (10) Answer general questions about Delivery Service;  
11  
12 (11) Report Electric Suppliers' estimated and metered loads, including local  
13 network transmission and distribution losses, to the ISO-NE, in accordance  
14 with Section 8 below;  
15  
16 (12) Process the electronic business transactions submitted by Electric Suppliers,  
17 and send the necessary electronic business transactions to Electric  
18 Suppliers, in accordance with Section 4, below;  
19  
20 (13) Provide information regarding, at a minimum, rate tariffs, billing cycles,  
21 and load profiles, on its Internet website or by alternate electronic means;  
22  
23 (14) Provide Standard Offer Service to Customers in accordance with the  
24 Company's tariff;  
25  
26 (15) Provide Default Service to Customers in accordance with the Company's  
27 tariff;  
28  
29 (16) Print twelve months' of historic usage data on customers' bills, in  
30 addition to the usage data for the current billing period; and  
31  
32 (17) Not be responsible for backup service if the electric supplier fails to meet  
33 its load carrying obligations to the ISO-NE, except as provided in  
34 subsection (c) of Section 20 of the Act.  
35

36 3C. Electric Supplier

37  
38 The Electric Supplier:

- 39  
40 (1) Must meet the registration and licensing requirements established by law or  
41 regulation and either (i) be a member of NEPOOL subject to an Own-Load  
42 Calculation or (ii) have an agreement in place with a NEPOOL member  
43 whereby the NEPOOL member agrees to include the load to be served by  
44 the Electric Supplier in such NEPOOL member's Own-Load Calculation;  
45



- 1 (2) Shall be responsible for providing all-requirements service to meet each of  
2 its Customers' needs and to deliver the associated capacity and energy to a  
3 point or points on NEPOOL PTF, including all necessary reserves, backup  
4 and ancillary services, in accordance with all applicable rules and  
5 regulations of NEPOOL and ISO-NE;  
6
- 7 (3) Providing Generation Service to Customers will be responsible for any and  
8 all losses incurred on (i) local network transmission systems and  
9 distribution systems, as determined by the Company; (ii) NEPOOL PTF, as  
10 determined by the ISO-NE; and (iii) facilities linking generation to  
11 NEPOOL PTF. An Electric Supplier shall also be responsible for all  
12 transmission wheeling charges necessary to reach NEPOOL PTF;  
13
- 14 (4) Shall be required to complete testing of the electronic transactions required  
15 to facilitate retail access prior to the initiation of Generation Service to any  
16 Customer in the Company's service territory. Such testing shall be in  
17 accordance with the rules and procedures set forth by the Company;  
18
- 19 (5) Shall be required to enter into a service contract with the Distribution  
20 Company that resolves issues associated with, among other things,  
21 information exchange, problem resolution, and revenue liability. This  
22 contract must be entered prior to the initiation of Generation Service to any  
23 Customer in the Company's service territory;  
24
- 25 (6) Shall be responsible for obtaining the necessary authorization from each  
26 Customer prior to initiating Generation Service to the Customer;  
27
- 28 (7) Shall be responsible for obtaining the necessary authorization from each  
29 Customer prior to requesting historical usage information from the  
30 Distribution Company.  
31

32  
33 4. Initiation and Termination of Generation Service

34  
35 4A. Initiation of Generation Service  
36

37 To initiate Generation Service to a Customer, the Electric Supplier shall submit an  
38 "enroll customer" electronic transaction to the Company. The Electric Supplier  
39 shall hold the "enroll customer" transaction until any applicable right of rescission  
40 has lapsed.  
41

42 If the information on the enrollment transaction is correct, the Distribution  
43 Company shall send the Electric Supplier a "successful enrollment" transaction.  
44 Generation Service shall commence on the date of the Customer's next scheduled  
45 meter read, provided that the Supplier has submitted the enrollment transaction to  
46 the Distribution Company no fewer than two business days prior to the meter read

1 date. If the Supplier has not submitted the enrollment transaction at least two days  
2 before the meter read date, Generation Service shall commence on the date of the  
3 Customer's subsequent scheduled meter read.

4

5 If more than one Electric Supplier submits an enrollment transaction for a given  
6 Customer during the same enrollment period, the first transaction that is received  
7 by the Distribution Company shall be accepted. All other transactions shall be  
8 rejected. Rejected transactions may be resubmitted during the customer's next  
9 enrollment period.

10

11 4B. Termination of Generation Service

12

13 To terminate Generation Service with a Customer, a Electric Supplier shall submit  
14 a "supplier drops customer" transaction. Generation Service shall terminate on the  
15 date of the customer's next scheduled meter read, provided that the Electric  
16 Supplier has submitted this transaction to the Distribution Company no fewer than  
17 two business days prior to the meter read date. If the Electric Supplier has not  
18 submitted this transaction at least two days before the meter read date, Generation  
19 Service shall terminate on the date of the Customer's subsequent scheduled meter  
20 read. The Distribution Company shall send a "confirm drop date" transaction to the  
21 Electric Supplier.

22

23 To terminate Generation Service with a Electric Supplier, a Customer shall so  
24 inform the Distribution Company or Electric Supplier. In the event that the  
25 Customer informs the Distribution Company directly, Generation Service shall  
26 terminate within two business days for residential customers; for other customers,  
27 Generation Service shall terminate on the date of the Customer's next scheduled  
28 meter read. The Distribution Company shall send a "customer drops supplier"  
29 transaction to the Electric Supplier. In the event that the Customer informs the  
30 Electric Supplier, the Supplier shall send a "supplier drops customer" transaction to  
31 the Distribution Company.

32

33 In those instances when a Customer who is receiving Generation Service from an  
34 existing Electric Supplier initiates such service with a new Electric Supplier, the  
35 Distribution Company shall send the existing Electric Supplier a "customer drops  
36 supplier" transaction.

37

38 4C. Customer Moves

39

40 A Customer that moves within a Distribution Company's service territory shall  
41 have the opportunity to notify the Distribution Company that he/she seeks to  
42 continue Generation Service with his/her existing Electric Supplier. Upon such  
43 notification, the Distribution Company shall send a "customer move" transaction to  
44 the Electric Supplier.

45

1 In those instances when a Customer moves into a Distribution Company's service  
2 territory, the Customer's existing Electric Supplier must submit an "enroll  
3 customer" transaction to the new Distribution Company in order to initiate  
4 Generation Service. Otherwise, the Customer shall receive Standard Offer Service  
5 or Default Service, in accordance with the Company's respective tariffs.

6  
7 4D. Other Provisions

8  
9 Distribution Companies and Suppliers shall send "change enrollment detail"  
10 transactions to change any information included on the "enroll customer"  
11 transactions.

12  
13 If any of the transactions described above are rejected by the Distribution  
14 Company, the Distribution Company shall send an "error" transaction to the  
15 Electric Supplier identifying the reason for the rejection.

16  
17 4E. Fees

18  
19 The Company will incur charges as a result of processing the electronic  
20 transactions described above. These charges shall be the responsibility of the  
21 electric supplier.

22  
23 5. Delivery Service Interruption

24  
25 5A. Planned Outages

26  
27 In the event that the loading of the Distribution System, or a portion thereof, must  
28 be reduced for safe and reliable operation, such reduction in loading shall be  
29 proportionately allocated among all Customers whose load contributes to the need  
30 for the reduction, when such proportional curtailments can be accommodated  
31 within good utility practices.

32  
33 5B. Unplanned Outages

34  
35 In the event of unplanned outages, service will be restored in accordance with good  
36 utility practice. When appropriate, service restoration shall be accomplished in  
37 accordance with the Company System Storm Emergency Plan on file with the  
38 DPUC.

39  
40 5C. Disconnection of Service

41  
42 The Distribution Company may disconnect Delivery Service to a Customer in  
43 accordance with the provisions set forth in the Terms and Conditions for Delivery  
44 Service. The Company shall provide electronic notification, using the Customer  
45 Usage and Billing Information transaction, to the Customer's Electric Supplier of  
46 record, upon final billing to the Customer. Once disconnection occurs, the

1 provision of Generation Service to the Customer shall no longer be the obligation  
2 of the Electric Supplier. The Company shall not be liable for any revenue losses to  
3 Electric Suppliers as a result of disconnection.

4  
5 5D. Interruptible Load  
6

7 In order to provide greater reliability within the service territory, the Distribution  
8 Company shall be entitled to offer interruptible rate options which could qualify for  
9 capacity credits at ISO-NE. The Company shall not be liable for any revenue  
10 losses to electric suppliers as a result of any interruptions.\_  
11

12 6. Metering  
13

14 6A. Meter Reading  
15

16 The Company shall meter each Customer in accordance with tariff provisions and  
17 as outlined in the Terms and Conditions for Distribution Companies.  
18

19 Each Customer shall be metered or its load estimated such that the loads can be  
20 reported to the ISO-NE for inclusion in the Electric Supplier's, or applicable  
21 NEPOOL member's, Own-Load Calculation.  
22

23 6B. Ownership of Metering Equipment  
24

25 Should a Customer or Electric Supplier request a new meter or that a  
26 communication device be attached to the existing meter, the Company shall  
27 provide, install, test, and maintain the requested metering or communication  
28 device. The requested meter or communication device must meet the Company's  
29 requirements. The Customer or Electric Supplier shall bear the cost of providing  
30 and installing the meter or communication device. Upon installation, the meter or  
31 communication device shall become the property of the Company and will be  
32 maintained by the Company. The Company shall complete installation of the  
33 meter or communication device, if reasonably possible, within thirty (30) days of  
34 receiving a written request from the Customer or Electric Supplier. The Company  
35 shall bill the Customer or Electric Supplier upon installation.  
36

37 7. Billing  
38

39 The Company shall provide a single bill, reflecting unbundled charges for electric  
40 service, to Customers who receive Standard Offer Service, Default Service or  
41 Generation Service from an Electric Supplier.  
42

43  
44 7A. Billing Procedure  
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46 The Company shall issue a single bill for electric service to each Customer.

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The Company shall use the rates supplied by the Electric Supplier to calculate the Electric Supplier portion of Customer bills, and integrate this billing with its own billing in a single mailing to the Customer. The Company shall send a "customer usage and billing information" transaction to the Electric Supplier.

Upon receipt of Customer payments, the Company shall send a "payment/adjustment" transaction to the Electric Supplier. Customer revenue due the Electric Supplier shall be transferred to the Electric Supplier in accordance with the service contract entered into by the Electric Supplier and the Company.

If a Customer pays the Company less than the full amount billed, the Company shall apply the payment first to Delivery Service and, if any payment remains, it shall be applied to Generation Service.

1. Changes to Rate Classes

If an Electric Supplier requests customer classes or rate structures that differ from those offered by the Company, the Company shall accommodate changes to the billing system, if reasonably possible, at the Electric Supplier's expense. The costs of making the designated changes shall be quoted by the Company to the Electric Supplier prior to the start of programming. Programming will begin after the electric supplier has accepted such quote.

2. Optional Customer Services

Upon request by a Electric Supplier, the Company may offer optional customer services to Electric Suppliers. Pricing for these optional services shall be customized to the Electric Supplier's needs, and shall be dependent on the specific customer services required by the Electric Supplier, the volume of Customer calls, requested coverage hours, and/or the specific number of customer service representatives requested.

3. Existing Fees

Existing Company service fees, such as interest charges for unpaid balances and bad check charges, shall remain in effect and shall be assessed, as applicable, according to the Company's Terms and Conditions for Delivery Service, applicable to all Customers.

7B. Definition of Standard Units of Service

1. Billing Demand

Units of billing demand shall be as defined in the Company's applicable tariffs on file with the DPUC.

2. On-Peak/Off-Peak Period Definitions

The on-peak and off-peak periods shall be as defined in the Company's applicable tariffs on file with the DPUC.

Electric Suppliers may define on-peak and off-peak periods differently from those above; however, they will be required to make special metering arrangements with the Company to reflect different on-peak and off-peak definitions. Any costs incurred to provide the special metering arrangements shall be assigned to the Electric Supplier.

7C. Fees

The Company may charge fees to Electric Suppliers for providing the services described in this section of the Terms and Conditions. These fees shall be negotiated between the parties.

8. Determination of Hourly Loads

8A. For each Electric Supplier, hourly loads for each day shall be estimated or telemetered and reported daily by the Company to the ISO-NE for inclusion in the Electric Supplier's Own-Load Calculation. Hourly load estimates for non-telemetered customers will be based upon load profiles developed by the Company for each customer or customer class of the Company.

8B. The Company shall normally report previous days' hourly loads to the ISO-NE by a specified time. These loads shall be included in the Electric Supplier's Own Load Calculation.

8C. To refine the estimates of the Electric Suppliers' loads that result from the estimated hourly loads, a monthly calculation shall be performed to incorporate the most recent customer usage information, which is available after the monthly meter readings are processed.

8D. The hourly loads shall be determined consistent with the following steps:

- (1) The Company shall identify or develop a load profile for each customer class or each Customer for use in each day's daily determination of hourly load.
- (2) The Company shall calculate a usage factor for each Customer that reflects the Customer's relative usage level.
- (3) The Company shall develop estimates of hourly load profiles for the previous day for each Electric Supplier such that the sum of the

1 Electric Suppliers' loads equals the hourly metered loads collected  
2 each day. Distribution losses, which are included in the hourly  
3 metered Company loads, shall be fully allocated into Electric  
4 Supplier loads.

5  
6 (4) Transmission losses from local network facilities shall be  
7 approximated and added to the Electric Supplier's hourly loads.  
8

9 8E. The process of Electric Supplier load estimation involves statistical samples  
10 and estimating error. The Distribution Company shall not be responsible for any  
11 estimating errors and shall not be liable to the Electric Supplier for any costs that  
12 are associated with such estimating errors.  
13

14 9. Liability  
15

16 The Company shall have no liability with respect to any transaction or arrangement  
17 by or between customers and electric suppliers.  
18

19 The Company endeavors to furnish adequate and reliable service, but does not  
20 guarantee continuous service, and it shall not be liable for direct or consequential  
21 damages of any kind resulting from any stoppage, interruption, variation or  
22 diminution of service caused by the customer's or supplier's acts or omissions, acts  
23 of the public enemy, a state of war, requirements of Federal, State or Municipal  
24 authorities, strikes, acts of God or the elements, accidents, operating conditions or  
25 contingencies or other causes.  
26

27 When a part or parts of the interconnected generation-transmission or distribution  
28 systems may be threatened by a condition which may affect the integrity of the  
29 supply of electric service, or when a condition of actual or threatened shortage of  
30 available energy supplies and resources shall exist, the Company may, in its sole  
31 judgment, curtail, allocate, or interrupt such service to any customer, customers or  
32 electric supplier. Such curtailment, allocation or interruption shall, where possible  
33 or practicable, be in accordance with the terms and conditions of any applicable  
34 energy emergency or load curtailment plan which shall be on file with the  
35 Authority or other appropriate state agency from time to time or adopted by energy  
36 dispatching and control centers in which the Company is a participant.  
37

38 The Company does not undertake to regulate the voltage or frequency of its service  
39 more closely than is standard commercial practice. If the customer requires  
40 regulation of voltage or frequency that is more refined, he shall furnish, install,  
41 maintain and operate the necessary apparatus at his own expense.  
42

43 The Company cannot be and is not responsible for any loss or damage (direct,  
44 indirect, or consequential) to any persons or property resulting in any way from any  
45 interruption of service or any change in characteristics of service, regardless of the  
46 cause of such interruption or change.

1 Service is delivered to the customer at the point where the service connection  
2 maintained by the Company terminates. The Company shall not be liable for direct,  
3 indirect or consequential damages of any kind, whether resulting from injuries to  
4 persons or property or otherwise, arising out of or that may be traceable to trouble  
5 or defects in the apparatus, wiring, facilities or equipment or to any other cause  
6 occurring beyond the point where the service connection of the Company  
7 terminates. Liability, if any, for such damages shall be that of the customer.  
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13 Effective Jan 1, 2000  
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